

# **MINUTES OF THE REGULAR MEETING**

## **OF THE**

### **COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY**

**November 20, 2007**

The Commissioners of the Chicago Housing Authority held its Regular Meeting of the Board of Commissioners on Tuesday, November 20, 2007, at 8:30 a.m. at Albany Apartments, 3030 W. 21<sup>st</sup> Place, Chicago, Illinois.

Chairperson Nesbitt called the meeting to order and upon roll call, those present and absent were as follows:

Present: Martin Nesbitt  
Hallie Amey  
Dr. Mildred Harris  
Michael Ivers  
Carlos Ponce  
Sandra Young

Absent: Bridget O’Keefe  
Mary Wiggins

Also present were Sharon Gist Gilliam, Chief Executive officer; Adrienne Minley, Chief-of-Staff; Jorge Cazares, General Counsel; Chicago Housing Authority Staff Members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

Sharon Gist Gilliam, Chief Executive Officer, then presented her monthly report. Ms. Gilliam commenced her report by highlighting press coverage received at the Ickes development on policing issues. In other press, CHA was featured on the Tribune’s Real Estate front page on the North Side rebirth and featured a former Cabrini Resident, Miles Warren, III, who now owns a townhouse in Parkside of Old Town. According to the CEO, this positive story reflects the changes being made by CHA not only on the north-side but throughout the Chicagoland area. On the following week the Tribune again featured CHA. It described CHA development of 450 acres with “green elements” and how CHA requires architects to include green elements on all its new developments. The CEO then highlighted Windows of Opportunity’s inaugural “Night with the Stars” banquet where former public housing residents who had risen above their challenges to achieve personal and professional success were saluted. The CEO proudly concluded her report by announcing that under the Family Self Sufficiency, 21 graduates received their diploma – and shared their own success stories - at the Family Self Sufficiency (FSS) Graduation on October 25 at the Charles A. Hayes Family Investment Center. According to the CEO, when the class began, the average income was \$13,300. Upon graduation, it increased to by more than 100% to \$27,726. Eight of the graduates purchased their own homes. Over the last 11 years, FSS has dispersed \$4.5 million to 484 voucher participants (an average of nearly \$10,000 per graduate) and has helped create 62 new homeowners.

The Chairperson then convened the Public Hearing portion of the meeting by inviting residents and the public at large to address the Board.

Immediately following the Public Hearing portion of the meeting, a Motion was introduced and seconded to adjourn to Executive Session. The Chairperson announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately one (1) hour to discuss pending, probable or imminent litigation, collective negotiating matters, security and personnel matters.

The Commissioners subsequently reconvened in Open Session.

Chairman Nesbitt thereupon introduced the Resolution discussed in Executive Session and presented a Motion to approve the resolution for Executive Session Item 1.

**Executive Session Item 1**

**RESOLUTION NO. 2007-CHA-150**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated November 1, 2007, requesting that the Board of Commissioners approves the Personnel Actions Report for October 2007.

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners hereby approves the Personnel Actions Report for October 2007.

The Motion to adopt resolution for Executive Session Item 1 was seconded by Commissioner Ponce and the voting was as follows:

Ayes: Martin Nesbitt  
Hallie Amey  
Dr. Mildred Harris  
Michael Ivers  
Carlos Ponce  
Sandra Young

Nays: None

The Chairperson thereupon declared said Motion carried and said Resolution adopted.

In the absence of Committee Chair O’Keefe, Commissioner Amey presented the monthly Finance and Audit Committee report. Per Commissioner Amey, the regular Finance and Audit Committee Meeting was held on Wednesday, November 14, 2007 at approximately 1:00 p.m. at the 60 E. VanBuren Corporate offices. Staff presented the committee with the Quarterly Finance update; Treasury and Chas Flow Report for the month of October 2007 and a detailed presentation of the FY2008 Budget.

Commissioner Amey then introduced an Omnibus Motion for adoption of the Resolutions for Items A1 thru A6 approved by the Finance and Audit Committee.

**(Item A1)**

In September 2005, the Board of Commissioners authorized the Authority to enter into two-year base term contracts with Columbia Capital Management, LLC and Reznick Group P.C., to provide the CHA with financial advisory services. Each contract provided an option for a one year extension at the Authority’s discretion. Accordingly, the resolution for Item A1 approves contract extension for financial advisory services to Columbia Capital Management, LLC and Reznick Group P.C. The contract extension will provide the Office of Development Management and the Finance Division with the analytical support and guidance in developing and implementing alternative financing strategies for future projects. These financial advisors have become familiar with CHA’s financing programs (bond, tax, credit, banks and construction loans) and the types of transactions required in mixed finance developments and have provided invaluable support and expertise. They have been instrumental in developing the financing strategies for development transactions and their continued services are vital to the completion of these deals. Columbia Capital has assisted with the Britton Budd project as well as the Capital Program Revenue Refunding Bonds. The Reznick Group served as the financial advisor for the City/State financing deal.

**RESOLUTION NO. 2007-CHA-151**

**WHEREAS,** the Board of Commissioners has reviewed Board Letter dated November 14, 2007 entitled “Authorization to Extend Contract Award for Financial Advisory Services to Columbia Capital Management, LLC and Reznick Group P.C.”;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** the Board of Commissioners authorizes the Chief Executive Officer or her designee to exercise the one year option under the same fees, terms and conditions as the current contracts with Columbia Capital Management, LLC and Reznick Group P.C. to provide financial advisory services in an amount not to exceed the balance of the original \$200,000 authorized for the base term of each contract, respectively, with no additional dollars added.

**(Item A2)**

The resolution for Item A2 approves contract extension with AON Risk Services for Brokerage and Consultant Services to the CHA and for the Private Manager Insurance Program (PMIP). Insurance brokerage services have greatly assisted the Authority in consistently securing insurance for the CHA and the PMIP, which is an Owner-Controlled Insurance Program that assures consistent insurance and financial protection for the CHA through its Private Managers and Resident Management Corporations (RMC). Participation in this program is mandated by contract for all Private Managers and RMC's. During the initial contract term, AON has aggressively marketed both insurance programs starting with holding informational sessions at the Authority with prospective carriers. AON conducted an in depth analysis of all coverage and made recommendations that have resulted in coverage enhancements to several lines of insurance coverage at no additional cost, procurement of additional lines of coverage, and a restructure of the CHA's property coverage. The Risk Management Department strongly believes that AON's efforts resulted in CHA receiving optimum insurance coverage while realizing cost savings for the CHA and the PMIP.

**RESOLUTION NO. 2007-CHA- 152**

**WHEREAS,** The Board of Commissioners has reviewed the memorandum dated November 14, 2007 entitled, "Authorization to Exercise the Option to Extend Contract No. 6006 with Aon Risk Services, Inc. Of Illinois for Brokerage and Consultant Services to the CHA and for the Private Managers Insurance Program (PMIP)";

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or her designee to execute an amendment extending Contract No. 6006 (the "Contract") with Aon Risk Services, Inc. of Illinois ("Aon") for the period of January 1, 2008 through December 31, 2008 for an amount of \$262,650.00 to continue providing brokerage and consultant services to the CHA and for the Private Managers Insurance Program. The Contract's new aggregate compensation amount will be \$772,650.00

**(Item A3)**

The resolution for Item A3 approves acceptance of a grant award from the McArthur Foundation in the amount of \$200,000 and approves the sub-grantee agreement with Heartland Human Care Services to continue the Family Self-Sufficiency (FSS) Expansion Initiative. The CHA will work with Heartland to expand the Public Housing FSS program, which was launched as a pilot in the mixed-income developments of Roosevelt Square, Jazz on the Boulevard, Lake Park Crescent and to public housing residents in Altgeld, Trumbull Park Homes, and Lowden Homes. The FSS program provides supportive services to participants through case management, financial management classes, access to employment, and training opportunities. Funds diverted from increased rent due to wage increases will accrue in an escrow account for each participant's use upon completion of a 3-5 year program and achievement of personal and financial goals. The program sites targeted for the FSS expansion have high levels of chronic unemployment, and few opportunities for jobs that pay at or above the minimum wage.

**RESOLUTION NO. 2007-CHA-153**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated November 14, 2007, entitled "RECOMMENDATION TO ACCEPT A GRANT AWARD FROM THE MACARTHUR FOUNDATION, INCREASE THE FY2007 COMPREHENSIVE BUDGET, AND ENTER INTO A SUB-GRANTEE AGREEMENT WITH HEARTLAND HUMAN CARE SERVICES TO CONTINUE THE PUBLIC HOUSING FAMILY SELF

SUFFICIENCY (FSS) EXPANSION INITIATIVE TO TARGET ALTGELD GARDENS/MURRAY HOMES, TRUMBULL AND LOWDEN HOMES”;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** the Board of Commissioners authorizes the Chief Executive Officer or her designee to accept a grant award from the John D. and Catherine T. MacArthur Foundation in the amount of \$200,000.00, enter into a sub-grantee agreement with Heartland Human Care Services to extend Family Self Sufficiency services to public housing residents residing in Altgeld Gardens/Phillip Murray Homes, Trumbull Park Homes, and Lowden Homes, who face particular challenges with engaging in program opportunities promoting self-sufficiency, and to increase the FY2007 comprehensive budget by a total of \$200,000.

**(Item A4)**

The resolution for Item A4 approves an extension to the Lawson Software Maintenance Agreement. In 2004, the CHA issued an RFS to replace its existing system applications for Finance, Human Resources, Payroll and Purchasing to 53 pre-qualified vendors in the management consulting category and received 4 responses. Upon review and after an extensive and thorough competitive negotiation process, the CHA selected and awarded contract to the vendor team of Blackwell Consulting Services and Lawson Software, Inc., who implemented the Enterprise Resource Planning (ERP) system. As a component of the implementation, Lawson provided its copyrighted software application under a perpetual license through a negotiated License Agreement. At the same time, the CHA negotiated fixed pricing under the Support and Maintenance Agreement with Lawson for a minimum term of five years. At the time the underlying software license and support agreements were negotiated, it was intended that the designated software application would suit the agency’s needs for a period between seven to ten years and the application’s extended term maintenance was approved for sole source procurement. During the 2007 calendar year term of the Support and Maintenance Agreement, the CHA and Lawson agreed to upgrade the current Lawson System Environment through the addition of certain new environmental functionality and enhancements. As a result of the newly licensed environment and enhancements, which will be added to the catalog of supported Lawson software in use by CHA when implemented, the maintenance and support costs are expected to rise incrementally to the amount of \$187,291.00 for the 2008 support term. Had CHA not engaged in this environmental upgrade, the prevailing level of support would have been potentially impacted due to Lawson’s scheduled decommissioning of the current environment as of July 31, 2008.

**RESOLUTION NO. 2007-CHA-154**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter dated November 14, 2007 entitled “Recommendation to Approve the Lawson Software Maintenance Agreement Extension”.

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** the Board of Commissioners authorizes the Chief Executive Officer or her designee to enter into the current one (1) year term for software maintenance and support with Lawson Software for the provision of software updates, support, maintenance, and other services for the Lawson Enterprise Resource Planning (ERP) system in an amount not-to-exceed \$187,291.00 for the annual term effective in 2008.

**(Item A5)**

In December 1998 and each year thereafter, the CHA’s Board of Commissioners approved and authorized Chicago Metropolitan Housing Development Corporation (CMHDC) full-time employees participation in the CHA’s medical/dental/disability, Employee Assistance Program, deferred compensation and retirement plans upon the condition that CMHDC make all appropriate payments to the CHA for the costs of said benefits. The 1998 Resolution adopted by the Board of Commissioners required annual approval by the Board for the continued participation of CMHDC’s full time employees in the CHA’s employee benefit programs. CMHDC has been diligent in making their payments, accordingly, the resolution for Item A5 approves extension of Employee Benefits for the CMHDC.

**RESOLUTION NO. 2007-CHA-155**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter dated November 14, 2007, entitled “Request for Approval of Extension of Employee Benefits for Chicago Metropolitan Housing Development Corporation (“CMHDC”);

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners authorizes the CHA to allow Chicago Metropolitan Housing Development Corporation’s (“CMHDC”) fulltime employees to continue participation in all of the CHA’s benefit plans made available to the CHA’s employees for January 1, 2008 through December 31, 2009, provided CMHDC makes all requisite payments to the CHA on timely basis.

**(Item A6)**

During FY2006, the seventh year of the Plan for Transformation, the CHA concluded that the commitment to rehabilitate or rebuild 25,000 units of public housing would take additional time given a number of obstacles, which include: reduced federal funding; increase construction and labor costs; a demand for higher quality construction in mixed-income communities; complex coordination of community involvement; legal obstacles; and adjustments made to the relocation process as a result of community input. Consequently, the CHA indicated in the FY2007 Moving to Work Annual Plan submitted to HUD on November 2, 2006 that the Plan for Transformation would require a 15-year commitment. Accordingly, the resolution for item A6 approves Amendment No. 6 to the CHA’s Moving to Work Agreement. The execution of the amendment would extend the term of the MTW Agreement, funding commitments, and regulatory and program waivers through 2015. While the Board initially approved Amendment No. 6 on February 20, 2007, HUD determined that Amendment No. 6 required a public comment period. The public comment period for Amendment No. 6 was held October 9, 2007 through November 7, 2007. Notice to residents and the public about the public comment period appeared in news ads in the Chicago Sun-Times and Chicago Defender Newspapers on October 3, 2007.

**RESOLUTION NO. 2007-CHA-156**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter dated February 20, 2007, requesting approval of Amendment No. 6 to the “Memorandum of Approval, Resident Protection Agreement, Moving to Work Agreement,” dated February 6, 2000 between the U.S. Department of Housing and Urban Development and the Chicago Housing Authority.

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners hereby approves the attached Amendment No. 6 to the “Memorandum of Approval, Resident Protection Agreement, Moving to Work Agreement,” which extends the term of the MTW Agreement, funding commitments, and regulatory and program waivers through 2015.

**THAT,** the Board of Commissioners hereby grants authorization to the Chief Executive Officer to execute Amendment No. 6 to the “Memorandum of Approval, Resident Protection Agreement, Moving to Work Agreement” on behalf of the CHA.

The Omnibus Motion to adopt resolutions for Items A1 thru A6 was seconded by Commissioner Young and the voting was as follows:

Ayes:	Martin Nesbitt Hallie Amey Dr. Mildred Harris Michael Ivers Carlos Ponce Sandra Young
-------	------------------------------------------------------------------------------------------------------

Nays:	None
-------	------

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Finance & Audit Committee report was also accepted in total.

Commissioner Ponce then presented the Operations and Facilities monthly report. Per Commissioner Ponce the Operations and Facilities Committee Meeting was held on Wednesday, November 14, 2007 at approximately 2:15 p.m.

Commissioner Ponce then introduced an Omnibus Motion for the adoption of the Resolutions for Items B1 thru B6 discussed, voted and recommended for Board approval by the Operations and Facilities Committee.

**(Item B1)**

The resolution for Item B1 ratifies extension of and increase of contract amount with Delta Demolition, Inc., for demolition services at Wells. These units were vacated in preparation for the razing of the buildings and to make the site ready for a new mixed-income community development. Despite making efforts to secure the empty buildings from trespassing, vandalism occurred. The local Alderman, the Local Advisory Council and the Property Manager expressed concerns regarding the safety of the residents and their property in the surrounding community. The initial contractor scheduled to demolish these buildings could not secure the additional bonding capacity to cover the full cost of demolishing the buildings at Ida B. Wells as well as the significant demolition work it was already performing for the CHA. To avoid any further delay and to immediately address the exigent safety concerns at the site, a demolition task order was issued in May 2007 at a cost of \$1,728,799.00 to Delta Demolition. The demolition work was assigned to Delta for several reasons: Delta has previously performed demolition work at Wells, so it was familiar with the area and the types of buildings, and already had a good relationship with the Property Manager and residents; Delta would be able to start work as soon as needed; Delta could provide the bonding necessary to perform the task; and Delta was one of the three contractors which had been awarded a contract for the demolition of the types of buildings within Wells. Since Delta had already been issued ten demolition task orders, the capacity remaining on its contract was insufficient to cover the full cost of the demolition work, necessitating a contract modification to cover the balance of the Wells demolition.

**RESOLUTION NO. 2007-CHA-157**

**WHEREAS**, the Board of Commissioners has reviewed Board Letter dated November 14, 2007 entitled “RATIFICATION OF THE EXTENSION OF, AND THE INCREASE OF THE CONTRACT AMOUNT OF CONTRACT NO. 0601 WITH DELTA DEMOLITION INC. FOR THE PROVISION OF DEMOLITION SERVICES AT IDA B. WELLS APARTMENTS (IL2 – 001)”;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** the Board of Commissioners ratifies (1) the extension of Contract No. 0601 with Delta Demolition Inc. (“Delta”) solely for the completion of all work assigned under Task Order No. 11, but no later than December 31, 2007; and (2) an increase of the contract amount of Contract No. 0601 with Delta for the provision of demolition services at Ida B. Wells Apartments (IL2-001), a Family Housing development, in the amount of \$1,076,104.00. The new value of Contract No. 0601 is \$7,278,048.00.

**(Item B2)**

The resolution for Item B2 ratifies Contract Modification No. G-01 with Friedler Construction Company in the amount of \$246,066.00. This modification provides for the repair of concrete for twenty corner columns in 2920 South State and seventeen corner columns in 2940 South State with a specialty wrap application. The corner columns are cracking due to an unknown cause. While this cracking does not pose an immediate hazard to life and health, continued deterioration could cause a structural issue. The solution proposed by the Prime Design Consultant addresses the problem for schedule, cost, and technical feasibility. The selected solution is to wrap the columns with a specialty application now commonly used to restore the tensile strength of concrete. During the review of this Contract Modification, the Capital Construction Department determined that failure to move as quickly as possible could cause delays in the completion of units by 2007, as the columns need to be fixed before other work can be performed nearby. In addition, deteriorating weather would make this work difficult to perform, therefore, it needed to be completed while the weather is still fairly mild. Although residents or construction workers are not in any immediate danger due to these conditions, allowing the columns to further deteriorate could change that analysis.

**RESOLUTION NO. 2007-CHA-158**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter dated November 14, 2007, entitled “RATIFICATION OF MODIFICATION NO. G-01 TO CONTRACT NO. 7043 WITH FRIEDLER CONSTRUCTION COMPANY FOR ADDITIONAL WORK RELATED TO THE FAMILY HOUSING RENOVATION OF DEARBORN HOMES (IL2-009) – PHASE 1”;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners ratifies Contract Modification No. G-01 to Contract No. 7043 with Friedler Construction Company in the amount of \$246,066.00 for additional work related to the Family Housing renovation of Dearborn Homes (IL2-009) – Phase 1 at 2920 and 2940 South State Street. The new total contract amount of Contract No. 7043 is \$18,026,066.00. This Contract Modification is subject to the Contractor’s compliance with the CHA’s MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

**(Item B3)**

As part of the Capital Improvement Program, the CHA solicited bids to perform renovation work at the Family Housing development at Washington Park Low Rises (IL2-034). The Scope of Work for this solicitation includes, but is not limited to, the renovation of all tenant and common areas, including mechanical, electrical and plumbing systems, and site/landscaping improvements. Work shall result in sixty-four units being extensively renovated, along with the exterior building and landscaping improvements. Fifty-four units are scheduled to be completed by December 21, 2008. Ten units are scheduled to be completed by May 1, 2009. The IFB was advertised in area newspapers and on the CHA website in August 2007. After a thorough review of the four bids received and opened and a pre-award survey meeting conducted with the apparent low bidder, O.A.K.K. Construction Co., Inc. it was determined that O.A.K.K.’s submittal met the requirements of the IFB. O.A.K.K.’s Lump Sum Base Bid Total of \$9,980,000.00 was reduced by \$78,000.00, the amount of Deductive Alternate No. 1. This Deductive Alternate is for the cost of the appliances needed during the renovation. A new contract with an appliance manufacturer will permit the CHA to purchase the needed appliances directly at a considerable savings over the cost bid by O.A.K.K. This adjustment to the Lump Sum Base Bid Total did not impact the determination of the lowest responsive and responsible bidder. Accordingly, the resolution for Item B3 approves award of contract to O.A.K.K. Construction for the renovation of Washington Park Homes Low Rises.

**RESOLUTION NO. 2007-CHA-159**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter dated November 14, 2007, entitled “AUTHORIZATION TO EXECUTE A CONTRACT WITH O.A.K.K. CONSTRUCTION CO., INC. FOR THE FAMILY HOUSING RENOVATION AT WASHINGTON PARK LOW RISES (IL2-034)”;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** that the Board of Commissioners authorizes the Chief Executive Officer or her designee to execute a contract with O.A.K.K. Construction Co., Inc. in the amount of \$9,902,000.00 for the renovation of sixty-four (64) units and associated site work at ten (10) buildings located at 701-15 E. 45<sup>th</sup> St., 4501-15, 4517-27 and 4529-39A S. Champlain, 4508-12A, 4514-16A, 4518-20A, and 4522-36 S. Evans Ave., and 4614-24 and 4626-36 S. Wabash Ave., Washington Park Low Rises (IL2-034), a Family Housing development, for the completion of fifty-four (54) units by December 21, 2008 and ten (10) units by May 1, 2009. This award is subject to the Contractor’s compliance with the CHA’s MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

**(Item B4)**

As part of the Capital Improvement Program, CHA solicited bids to perform renovation work at the Family Housing development at Dearborn Homes (IL2-009). This renovation work will be performed at 2930 South Dearborn, 2931 South Federal and 2710 South State. The Scope of Work for this solicitation will result in one hundred fifty-two units being reduced to one hundred twenty-four) units, due to the conversion of standard units to ADA units. Exterior building and

landscaping improvements will also be done during this extensive renovation. These units are scheduled to be completed by December 31, 2008. The IFB was advertised in area newspapers and on the CHA's website in August 2007. The CHA received and opened four bids. After a thorough review of all bid submittals, a pre-award survey meeting was conducted with the apparent low bidder, Michuda Construction Inc. As a result of this pre-award survey meeting, it was determined that Michuda's submittal met the requirements of the IFB. Michuda's original Lump Sum Base Bid Total of \$28,382,018.00 was reduced by \$130,548.00, the amount of Deductive Alternate No. 1. This Deductive Alternate is for the cost of the appliances needed during the renovation. A new contract with an appliance manufacturer will permit the CHA to purchase the needed appliances directly at a considerable savings over the cost bid by Michuda. The adjusted Lump Sum Base Bid Total amount is \$28,251,470.00. This adjustment to the Lump Sum Base Bid Total did not impact the determination of the lowest responsive and responsible bidder. Accordingly, the resolution for Item B4 approves award of contract to Michuda for the renovation of units at Dearborn Homes.

**RESOLUTION NO. 2007-CHA-160**

**WHEREAS**, the Board of Commissioners has reviewed the Board Letter dated November 14, 2007, entitled "AUTHORIZATION TO EXECUTE A CONTRACT WITH MICHUDA CONSTRUCTION INC. FOR THE FAMILY HOUSING RENOVATION AT DEARBORN HOMES (IL2-009) – PHASE 2";

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** that the Board of Commissioners authorizes the Chief Executive Officer or her designee to execute a contract with Michuda Construction Inc. in the amount of \$28,251,470.00 for the renovation of one hundred twenty-four (124) units and associated site work at 2930 South Dearborn, 2931 South Federal and 2710 South State, Dearborn Homes (IL2-009), a Family Housing development, to be completed by December 31, 2008. This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

**(Item B5)**

In September 2006, the Board authorized the CHA to execute a Contract with LCM to provide third party-certification/verification services to implement the Voluntary Compliance Agreement (VCA) with HUD. The VCA's first benchmark required that 35% of all of the CHA's rehabilitated and/or redeveloped Accessible Units meet Federal accessibility requirements by August 1, 2007. In June 2007, it became evident that the CHA would need additional time to accomplish the first benchmark. In September 2007, HUD granted the CHA a provisional extension of the 35% benchmark and gave the CHA until May 31, 2008 to produce 287 certifiable UFAS-Accessible Units for people with mobility impairments and 114 certifiable UFAS-Accessible for people with sensory impairments. If the benchmark is not met, HUD has the ability to immediately impose sanctions set forth in the VCA dating back to August 1, 2007. On July 17, 2007, the Board authorized a funding increase for the Contract due to the large increase in the number of inspections required to try and meet the first benchmark. Prior to executing Amendment No. 1, the CHA negotiated a lower unit inspection cost for units that must be re-inspected, saving the Authority potentially tens of thousands of dollars. To date, LCM has fully performed its obligations under the Contract, inspecting approximately 850 UFAS-Accessible Units and over 60 Common-Use Areas, which have only yielded 22 Mobility Unit and 70 Sensory Unit verifications, well below the necessary verifications required. Accordingly, the resolution for item B5 approves exercising LCM's first option period to continue providing third party verification services needed to facilitate meeting the VCA's first benchmark that has been extended to May 31, 2008. LCM will perform the additional CHA inspections under rates negotiated as part of its original contract that reflect a marginal three percent cost-of-living increase for the first option period and will perform re-inspections under recently negotiated reduced rates.

**RESOLUTION NO. 2007-CHA-161**

**WHEREAS**, the Board of Commissioners has reviewed Board Letter dated November 14, 2007, entitled "AUTHORIZATION TO EXERCISE THE FIRST OPTION TO EXTEND CONTRACT NO. 6061 WITH LCM ARCHITECTS LTD. FOR THE PROVISION OF THIRD-PARTY CERTIFICATIONS";



**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** the Board of Commissioners authorizes the Chief Executive Officer or her designee to exercise the first option to extend Contract No. 6061 with LCM Architects, Ltd. for the period of November 15, 2007 through November 14, 2008, and increase the not-to-exceed compensation amount by \$500,000.00 adding it to the carryover balance available at the end of the current contract term to allow LCM to re-inspect units and conduct additional initial inspections so the CHA can meet the benchmarks established in the VCA.

**(Item B6)**

On December 14, 2005, the CHA's Board of Commissioners authorized the execution of indefinite quantity and indefinite delivery contracts with a group of environmental consultants. Since that time six Requests for Services (RFS) have been solicited from this group with a total bid amount of \$895,392.00, with two RFS' still under evaluation. The performance of the contractors has been satisfactory. In July 2005 a Request for Proposal (RFP) was advertised soliciting environmental remediation services for various CHA locations. The RFP was advertised in area newspapers and on the CHA's website. In addition to advertising, thirty-seven firms were directly solicited and 15 firms picked up copies of the solicitation. Nineteen proposals were received and evaluated. The evaluation committee recommended that six contracts be issued to provide greater capacity and a competitive process than would be available with fewer contracts. Two vendors, however, declined to sign the CHA contract offered. Accordingly, the Resolution for Item B6 approves award of contract for environmental remediation services to Environmental Design International, Inc.; Weston Solutions; Carnow, Conibear & Assoc., LTD; and Camp Dresser & McKee.

**RESOLUTION NO. 2007-CHA-162**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter dated November 14, 2007 entitled "AUTHORIZATION TO EXERCISE THE FIRST YEAR OPTION ON ENVIRONMENTAL SERVICES CONTRACTS MADE WITH FOUR ENVIRONMENTAL CONSULTANTS FOR ENVIRONMENTAL SERVICES AT THE MIXED INCOME DEVELOPMENTS";

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or her designee to exercise the first year option period for the environmental services contracts with Environmental Design International, Inc.; Weston Solutions; Carnow, Conibear & Assoc., LTD; and Camp Dresser & McKee for environmental remediation services at the mixed income developments for the balance of the original \$3,000,000.00 authorized for these contracts with no additional dollars being added. This award is subject to each Contractor's compliance with CHA's MBE/WBE/DBE, Section 3 resident hiring, and insurance requirements.

The Omnibus Motion to adopt resolutions for Items B1 thru B6 was seconded by Commissioner Harris and the voting was as follows:

Ayes:	Martin Nesbitt Hallie Amey Dr. Mildred Harris Michael Ivers Carlos Ponce Sandra Young
-------	------------------------------------------------------------------------------------------------------

Nays:	None
-------	------

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Operations and Facilities Committee report was also accepted in total.

Commissioner Young, Chairperson of the Tenant Services Committee, then presented her monthly report. Per Commissioner Young, the Tenant Services Committee meeting was held on

Wednesday, November 14 at the 60 East Van Buren Corporate Offices at 3:00 p.m.. Kristie Hamer and Andy Teitelman presented the Committee with an update on CHA Holiday Activities.

Commissioner Young then introduced an Omnibus Motion for the adoption of Resolutions for Items C1 thru C 4 discussed, voted and recommended for Board approval by the Tenant Services Committee.

**(Item C1)**

The resolution for Item C1 approves the Funding Agreements between the CHA and the Central Advisory Council (CAC) and the Senior Housing Advisory Council (SHAC). A Funding Agreement is required by HUD Regulations for funding provided by a housing authority for a duly elected resident council. The CAC funding agreement places financial responsibility on the CAC to govern, control and document use of CHA provided funds approved in the CAC's 2008 operating budget in the amount of \$1,673,687. The SHAC Funding places independent financial responsibility on the SHAC to govern, control and document CHA funds provided for the 2008 operating budget in an amount not to exceed \$360,000. The Agreements will contain provisions to require compliance with all state, local and federal laws, rules and regulations and require CAC and SHAC to account for use of the funds under the Agreement. The Agreement will also permit the CHA to review and audit the Books and Records of the CAC and SHAC.

**RESOLUTION NO. 2007-CHA-163**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter dated November 14, 2007, entitled "AUTHORIZATION TO NEGOTIATE AND ENTER INTO A FUNDING AGREEMENT FOR FISCAL YEAR 2008 WITH THE CENTRAL ADVISORY COUNCIL ("CAC") AND THE SENIOR HOUSING ADVISORY COUNCIL ("SHAC")

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners hereby authorizes the Chief Executive Officer or her designee to negotiate and enter into a Funding Agreement with the Central Advisory Council and the Senior Housing Advisory Council for the period commencing January 1, 2008 and ending December 31, 2008 in an amount not to exceed One Million Six Hundred Seventy Three thousand Six Hundred Eighty Seven Dollars (\$1,673,687) for the CAC and Three Hundred Sixty Thousand Dollars (\$360,000) for SHAC.

**(Item C2)**

Pursuant to the CHA's Plan for Transformation, social services previously performed by CHA staff were outsourced to the City of Chicago's Department of Human Services (CDHS). The CHA has chosen to focus on asset management rather than the administration of social services. The CHA's goal is to continue to mainstream and integrate public housing residents into the citywide services network administered by CDHS, which consists of private and public sector service providers, including state and federally funded service providers. CDHS has been operating the Service Connector program for 6 years through IGAs with the CHA. CDHS plans to release a new Request for Proposals (RFP) to provide support services for CHA families by the end of November 2007. The RFP is being released to implement a new service delivery model to promote increased self-sufficiency and permanent housing choices in accordance with the overall goals of the Plan for Transformation. The scope of work to be included in the new RFP will be distinctly different from the scope of work included in the contracts with CDHS' delegate agencies. It is anticipated that CDHS will complete the process of contracting for new vendors to implement the revised support services program in February of 2008. It is also anticipated that Resident Services will present a separate item to the Board of Commissioners in December of 2007 to request approval to enter into a new IGA with the Department of Human Services for the restructured service program model. This request for an additional \$1,500,000 will allow CDHS to continue providing services to the current Service Connector caseload as CHA and CDHS transition to the restructured service program model. Spending will continue to decrease during the transition to the new program model. Accordingly, the resolution for Item C2 approves extension of the Intergovernmental Agreement with the Chicago Department of Human Services to provide supportive services to CHA residents.

**RESOLUTION NO. 2007-CHA-164**

**WHEREAS,** The Board of Commissioners of the Chicago Housing Authority has reviewed the

Board Letter dated November 14, 2007, entitled “RECOMMENDATION TO EXTEND THE INTERGOVERNMENTAL AGREEMENT WITH THE CHICAGO DEPARTMENT OF HUMAN SERVICES FOR THE PERIOD JANUARY 1, 2008 THROUGH MARCH 31, 2008”;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or her designee to extend the Intergovernmental Agreement with the City of Chicago acting through Department of Human Services for the period of January 1, 2008 through March 31, 2008 in an amount not-to-exceed \$1,500,000to provide supportive services to CHA residents.

**(Item C3)**

In December 2006, the Board authorized the CHA to exercise the third option to extend the IGA with CDoA, for an additional one-year term for the period of January 1, 2007 through December 31, 2007 in the amount of \$2,162,598.00 to provide supportive social services in thirty-nine (39) CHA designated senior resident buildings. Under Amendment No. 3 to the IGA, CDoA continued to maintain its presence with an office in each of the 39 designated senior buildings to make supportive social services available to the senior residents. Throughout the duration of this IGA, which originally commenced on January 1, 2004, the level of funding provided to CDoA has remained constant at \$2,162,598.00 each year, although each year CDoA has faced continued increases in personnel costs due to union negotiations and wage increases. In the past, CDoA was able to absorb these costs, but for 2007 CDoA has requested CHA to help defray cost. CDoA has performed its obligations under the IGA, and CHA’s management believes that the request for additional funds to cover wage increases over the term of the IGA is warranted. Accordingly, the resolution for Item C3 amends the IGA with the Chicago Department of Aging in the amount of \$250,000.

Commissioner Ivers abstained from voting on Item C3 only.

**RESOLUTION NO. 2007-CHA-165**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed Memorandum dated November 14, 2007, entitled “Recommendation To Amend the Intergovernmental Agreement with the Chicago Department on Aging by the Addition (Contract No. 0634)”;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** The Board of Commissioners authorizes the Chief Executive Officer or her designee to amend the Intergovernmental Agreement (“IGA”) with the City of Chicago’s Department on Aging to increase funding by \$250,000.00 for the term that expires on December 31, 2007. The IGA’s new aggregate compensation amount will be \$8,900,392.60 for the four year term of the agreement through December 31, 2007

**(Item C4)**

The provision of CSS at the Madden/Wells Redevelopment was contemplated as part of the competitive procurement of the developer and is governed by the Master Developer Agreement with respect to this community. Under this agreement, the parties envisioned that TCB, as the developer, would be responsible to provide CSS to CHA public housing residents, who move into this new mixed-income community, and that TCB would receive financial assistance from CHA pending funding availability and contract performance. In 2004, the CHA entered into a two year contract with a one-year option with TCB to provide CSS to Madden/Wells Redevelopment. Since December 2005, the Board has authorized the CHA to exercise the option periods with TCB. During these contract terms, TCB has provided supportive services for more than 500 families, including post occupancy services for the 63 families who have relocated to Oakwood Shores Phase 1A and the 63 families who have relocated to Oakwood Shores Phase 1B. TCB has met its contract obligations, and CHA’s management remains committed to servicing residents eligible to return to the Madden/Wells Redevelopment and to continue supportive services to families for up to two years following the occupancy of units. It is anticipated that some of the funds previously authorized by the Board will be available at the end of the current extension term. Accordingly, based upon the availability of these carryover

funds, availability of additional funds, and TCB's performance of the Contract to date, the resolution for Item C4 approves extension of contract with TCB.

**RESOLUTION NO: 2007-CHA-166**

**WHEREAS,** The Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated November 14, 2007, entitled "AUTHORIZATION TO AMEND CONTRACT NO. 0575 WITH THE COMMUNITY BUILDERS FOR COMMUNITY AND SUPPORTIVE SERVICES AT MADDEN PARK/IDA B. WELLS/CLARENCE DARROW HOMES REDEVELOPMENT";

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or her designee to amend and extend Contract No. 0575 ("Contract") with The Community Builders for the period of January 1, 2008 through December 31, 2008 and to increase the Contract's funding by an amount not-to-exceed \$450,000.00 adding it to the carryover balance available at the end of the Contract's current term to provide community and supportive services to CHA residents relocating to Madden Park/Ida B. Wells/Clarence Darrow Homes Redevelopment.

The Motion to adopt resolutions for Items C1 thru C4 was seconded by Commissioner Ponce and the voting was as follows:

Ayes:	Martin Nesbitt Hallie Amey Dr. Mildred Harris Michael Ivers (abstained from voting on Item C3 only) Carlos Ponce Sandra Young
-------	----------------------------------------------------------------------------------------------------------------------------------------------

Nays:	None
-------	------

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Tenant Services Committee report was also accepted in total.

There being no further business to come before the Commissioners, upon Motion made, seconded and carried, the meeting of the Board of Commissioners was adjourned.

s/b: Martin Nesbitt  
Chairperson

s/b: Lee Chuc-Gill, Custodian and  
Keeper of Records